## DEPARTMENT OF REVENUE

Tax Division

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# Re: Annual Alaska Salmon Price Report

To Whom It May Concern:

Enclosed is the "Annual Alaska Salmon Price Report" for the calendar year 2006. We compile the report from Alaska Salmon Price Report and Alaska Salmon Price Adjustment Report forms completed by processors who are required to report by state statute. Some production areas and production types are not shown on the report because of confidentiality requirements; however, information for these areas is included in the statewide totals.

## **Statutory Requirements and Definitions**

- 1. The reporting threshold for processors is 1 million pounds of salmon products sold at wholesale in the previous calendar year.
- 2. "Wholesale price" is the price paid by a nonaffiliated buyer to a processor or its affiliate, without deduction for costs of property sold, materials used, insurance, labor, services, labeling, transportation, storage, interest, losses, or any other expense.
- 3. "Quantity" is the quantity purchased by a nonaffiliated buyer from a processor or its affiliate.
- 4. "Production area" is where the product that was sold to the nonaffiliated buyer was last processed into a reportable salmon product form within Alaska by the processor or its affiliate.
- 5. "Product forms" are those listed in statute. These are the only product forms that are included in the Alaska Salmon Price Report database and are the only ones that processors are required to report. No quality distinctions are made within each product form category.

## **Confidentiality**

We do not report information for some areas and product types because it could identify the quantity produced or value sold by a particular processor. We use the following guidelines when evaluating confidentiality:

- 1. If there are three or more processors for a given area, the information is reported unless one processor accounts for over 80% of total quantity or two processors account for over 95% of total quantity.
- 2. If there are only one or two processors for a given area, the information is not reported.
- 3. If by reporting a given area, another area's information is compromised, the information is not reported.

Please contact Dan Stickel at 907-465-3279 or daniel.stickel@alaska.gov if you have any questions.

Sincerely,

Paul Dick

Chief of Operations

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